

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 3

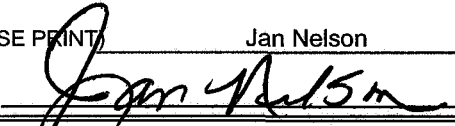
APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN				5. MINERAL LEASE NO: UTO-02025-ST	6. SURFACE: STATE
				7. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
B. TYPE OF WELL <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ <input checked="" type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE				8. UNIT OF CA AGREEMENT NAME: RED WASH UNIT	
				9. WELL NAME and NUMBER: RW 21-32BW	
2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION, CO.				10. FIELD AND POOL, OR WILDCAT: RED WASH 665	
3. ADDRESS OF OPERATOR: 1571 E. 1700 S. CITY VERNAL STATE UT ZIP 84078				PHONE NUMBER: (435) 781-4032	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 859' FNL 1449' FWL 640113X 40.170968 AT PROPOSED PRODUCING ZONE: SAME 4447821Y -109.354530				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 7S 23E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23 +/- MILES FROM VERNAL, UT				12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 859' +/-		16. NUMBER OF ACRES IN LEASE: 640		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1013' +/-		19. PROPOSED DEPTH 7725'		20. BOND DESCRIPTION: 965003033	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5357.8' GR		22. APPROXIMATE DATE WORK WILL START: ASAP		23. ESTIMATED DURATION: 10 DAYS	
24. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8"	J-55	36 lb/ft (new) STC	450'	SEE 8-POINT DRILLING
7 7/8"	5 1/2"	J-55	15.5 lb (new) LTC	7000'	
7 7/8"	5 1/2"	J-55	17 lb (new) LTC	7725'	

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWN |

NAME (PLEASE PRINT) <u>Jan Nelson</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u></u>	DATE <u>3/21/07</u>
<small>(This space for State use only)</small>	
API NUMBER ASSIGNED: <u>43-047-39183</u>	APPROVAL: _____

(11/2001)

(See Instruction on Reverse Side)

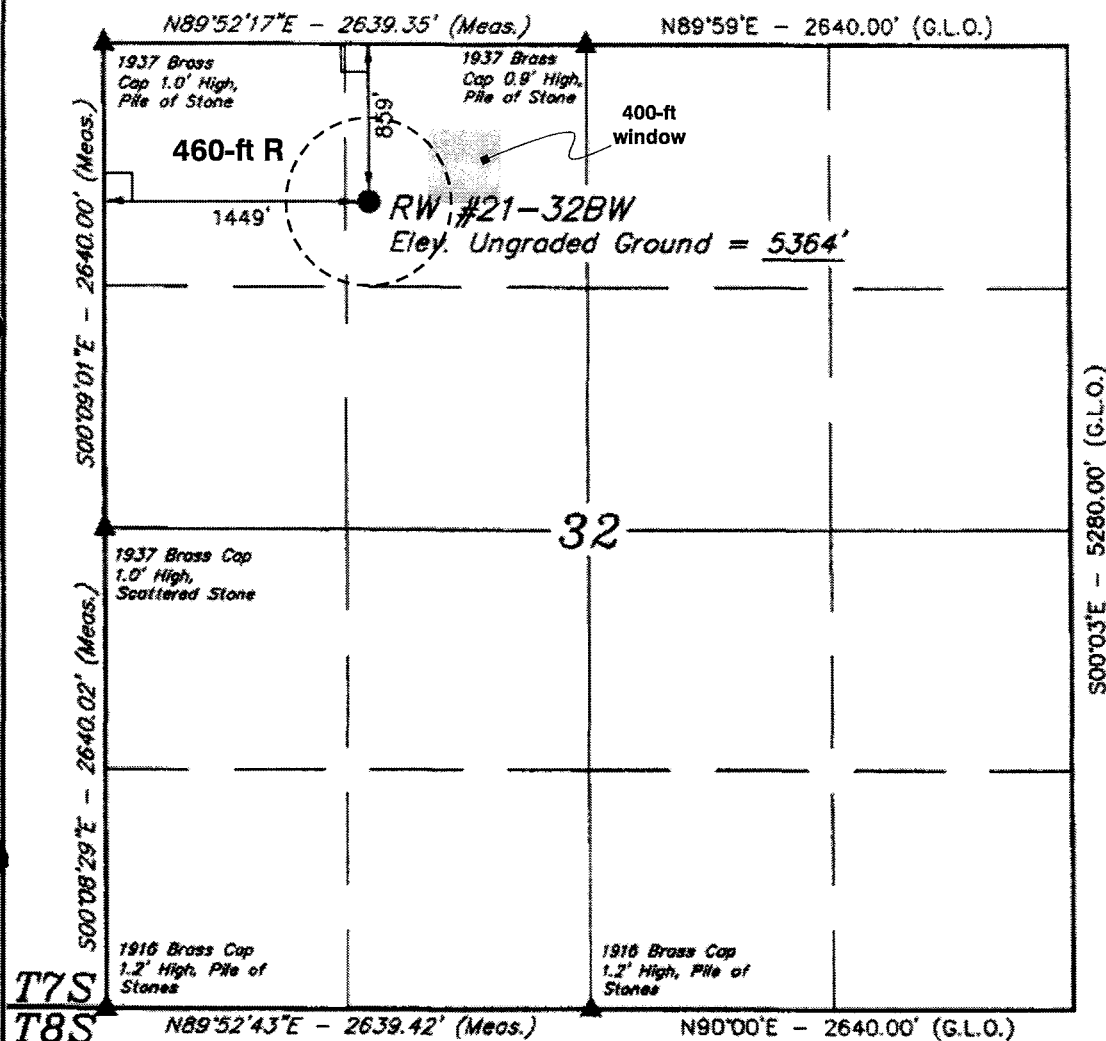
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DIV. OF OIL, GAS & MINING

CONFIDENTIAL

T7S, R23E, S.L.B.&M.

QUESTAR EXPLR. & PROD.

Well location, RW #21-32BW, located as shown in the NE 1/4 NW 1/4 of Section 32, T7S, R23E, S.L.B.&M., Uintah County, Utah.

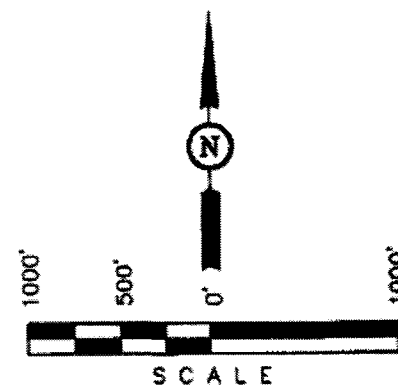


BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

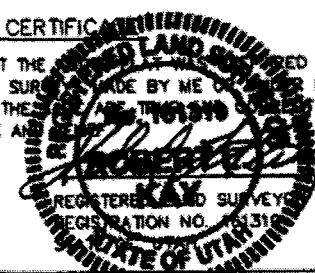
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATION

THIS IS TO CERTIFY THAT THE SURVEY WAS MADE FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.



T7S
T8S

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°10'15.39" (40.170942)
 LONGITUDE = 109°21'18.85" (109.355236)
 (NAD 27)
 LATITUDE = 40°10'15.52" (40.170978)
 LONGITUDE = 109°21'16.39" (109.354553)

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-19-07	DATE DRAWN: 01-22-07
PARTY D.R. Q.B. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLR. & PROD.	

Additional Operator Remarks

Questar Exploration & Production, Co. proposes to drill a well to 7725' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirement.

See Onshore Order No. 1 attached

Please be advised that Questar Exploration & Production, Co. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. 965003033. The principal is Questar Exploration & Production, Co. via surety as consent as provided for the 43 CFR 3104.2.

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	2800'	
Mahogany	3720'	
Wasatch	6225'	Oil / Gas
TD	7725'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River /Wasatch	7,725'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right # 49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	450'	12 1/4"	9 5/8"	J-55	36 lb/ft (new) ST&C
Prod.	7000'	7 7/8"	5 1/2"	J-55	15.5 lb/ft (new) LT&C
TD	7725'	7 7/8"	5 1/2"	J-55	17 lb/ft (new) LT&C

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- F. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

DRILLING PROGRAM

- G. Compressor shall be tied directly to the blooie line through a manifold.
- H. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Green River / Wasatch interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

DRILLING PROGRAM

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	257sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Cement to surface with 257 cf (1541sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-489sx* Tail-702sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Tail to 5000' (±500' above production zone). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Lead to surface. Tail plug used. Allowed to set under pressure.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3816.0 psi. Maximum anticipated bottom hole temperature is 140° F.

3M BOP STACK

11" Rotating Head

11" Spacer Spool

11" 3M Annular

11" 3M Double Ram

G.L.

11" 3M x 3M Multi-Bowl Head

9 5/8" 3M Casing Head

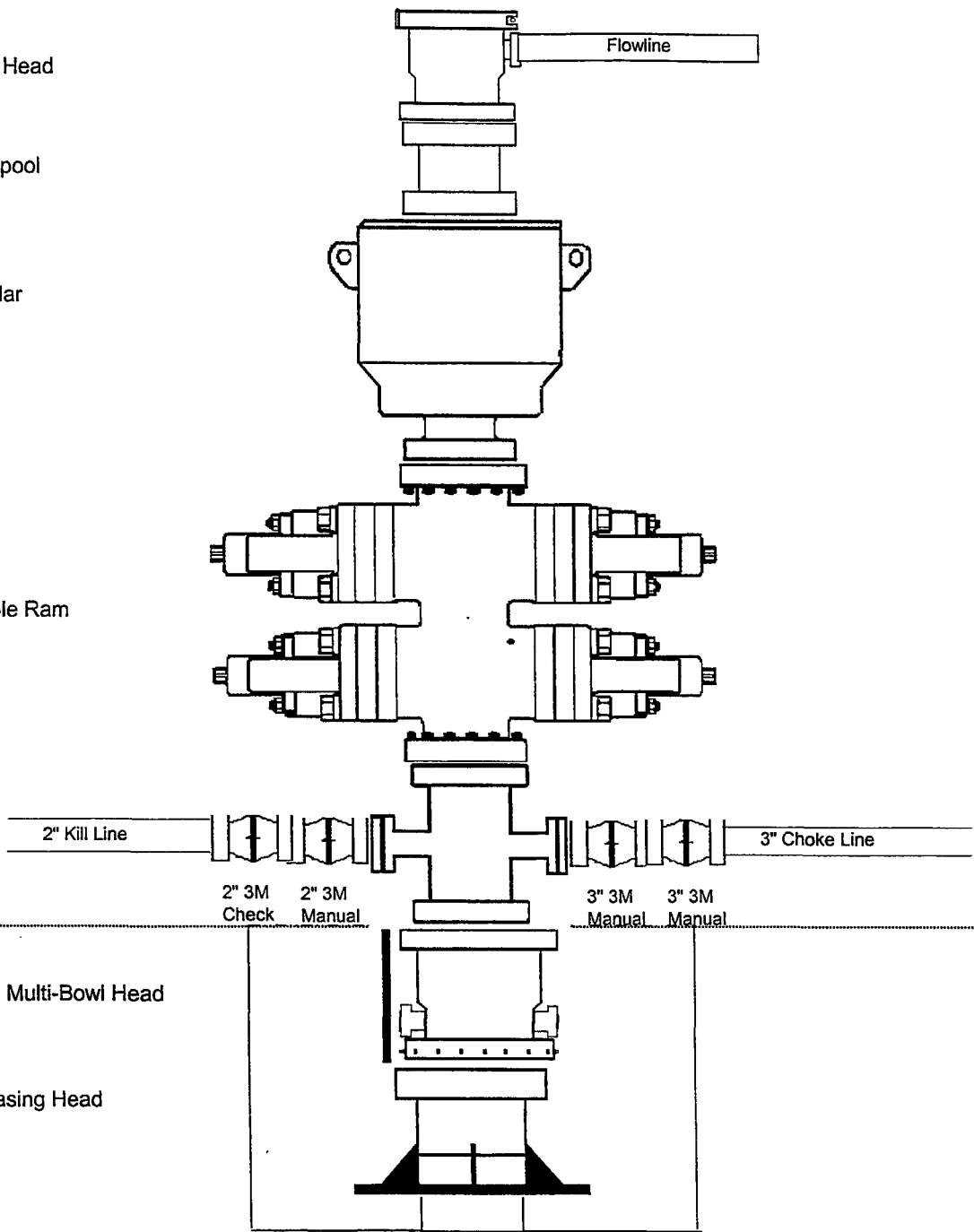
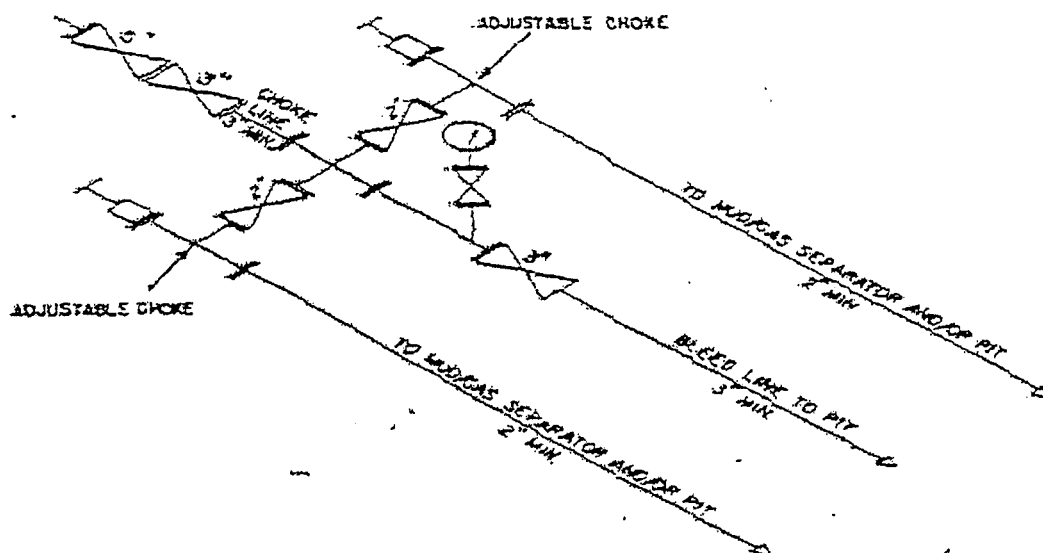


EXHIBIT A CONTINUED

46312

Federal Register / Vol. 53, No. 223 / Friday, November 13, 1988 / Rules and Regulations



①

3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION OF CHOKES
MAY VARY

Lessee's or Operator's Representative:

Jan Nelson
Red Wash Rep.
Questar Exploration & Production, Co.,
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4331

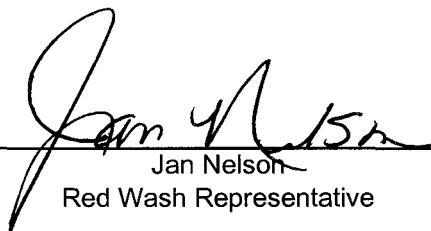
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Questar Exploration & Production, Co. fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Questar Exploration & Production, Co. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Jan Nelson
Red Wash Representative

21-Mar-07

Date

QUESTAR EXPLR. & PROD.

RW #21-32BW

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T7S, R23E, S.L.B.&M.



PHOTO: VIEW FROM LOCATION STAKE TO CORNER #5

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

01 23 07
MONTH DAY YEAR

PHOTO

TAKEN BY: D.R. | DRAWN BY: L.K. | REVISED: 00-00-00

QUESTAR EXPLR. & PROD.

FIGURE #1

LOCATION LAYOUT FOR

RW #21-32BW

SECTION 32, T7S, R23E, S.L.B.&M.

859' FNL 1449' FWL

CONSTRUCT
DIVERSION
DITCH

Top Bank
of Drainage

Topsoil Stockpile

Prevailing
Winds

SCALE: 1" = 50'
DATE: 01-22-07
Drawn By: S.L.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

Approx.
Top of
Cut Slope

Reserve Pit Backfill
& Spoils Stockpile

FLARE PIT

C-10.8'
El. 68.6'

El. 88.4'
C-32.6'
(btm. pit)

Total Pit Capacity
W/2' of Freeboard
= 10,620 Bbls. ±
Total Pit Volume
= 2,870 Cu. Yds.

10' WIDE BENCH

RESERVE PITS
(12' Deep)

SLOPE 1-1/2 : 1

Sta. 0+51

El. 80.8'
C-35.0'
(btm. pit)

CONSTRUCT
DIVERSION
DITCH

F-9.5'
El. 48.3'

PROPANE
STORAGE

Install CMP
as Needed

PIPE TUBS

PIPE RACKS

C-6.0'
El. 63.8'

C-11.7'
El. 69.5'

PUMP HOUSE

LIGHT PLANT

BOILER

COMPRESSOR

BOOSTER

TOILET

TRAILER

WATER
TANK

F-14.1'
El. 43.7'

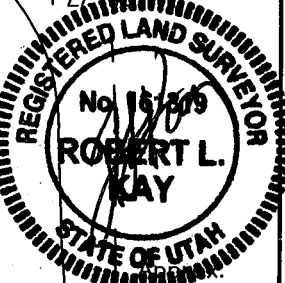
Sta. 0+00

Proposed Access
Road

Topsoil Stockpile

F-11.1'
El. 51.4'

Round Corners
as Needed



Toe of
Fill Slope

F-15.1'
El. 42.7'

F-20.5'
El. 37.3'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5363.8'
FINISHED GRADE ELEV. AT LOC. STAKE = 5357.8'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

QUESTAR EXPLR. & PROD.

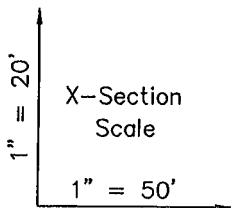
FIGURE #2

TYPICAL CROSS SECTIONS FOR

RW #21-32BW

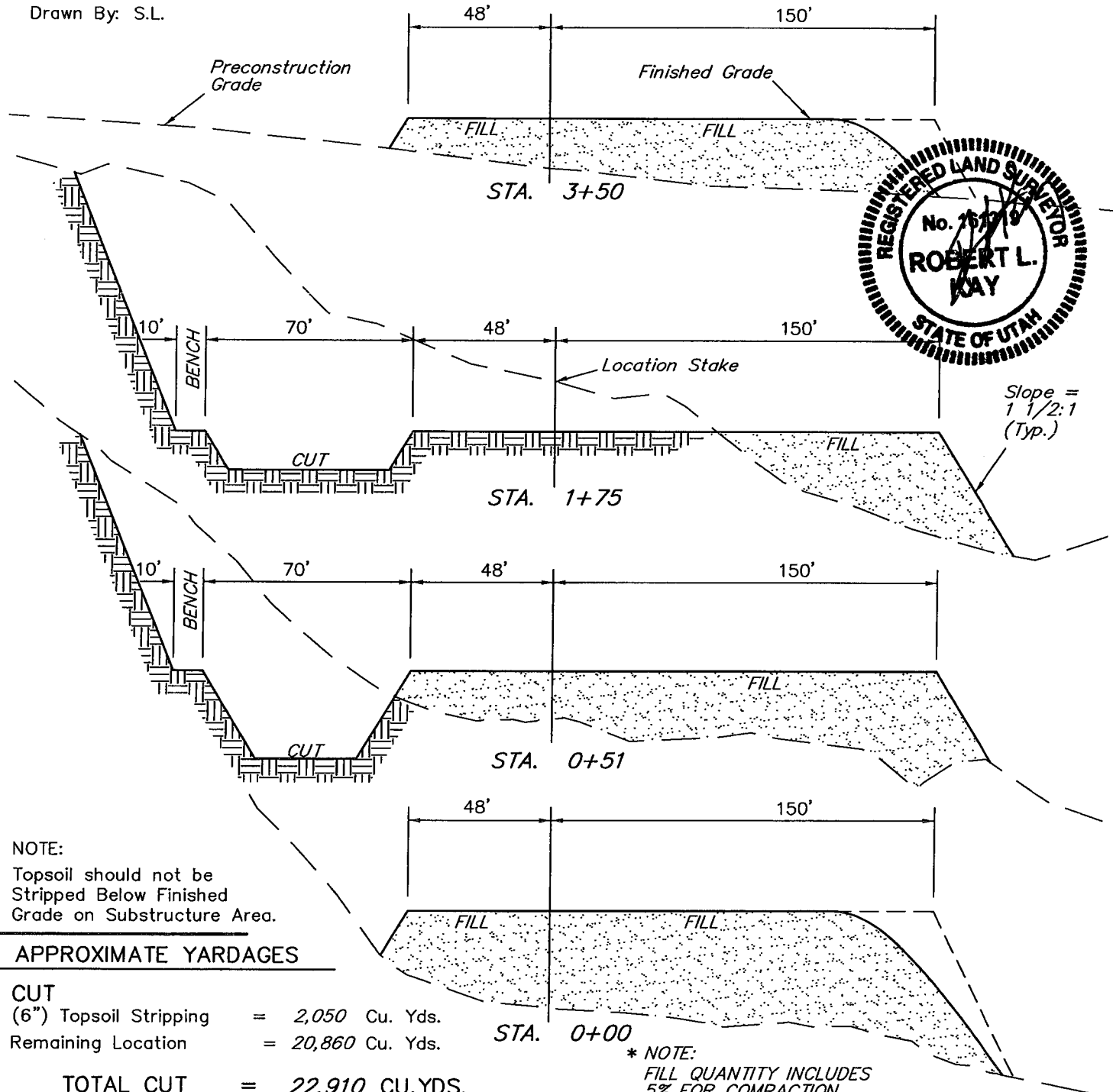
SECTION 32, T7S, R23E, S.L.B.&M.

859' FNL 1449' FWL



DATE: 01-22-07

Drawn By: S.L.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,050 Cu. Yds.
Remaining Location	= 20,860 Cu. Yds.
TOTAL CUT	= 22,910 CU.YDS.
FILL	= 19,420 CU.YDS.
Excess Material	= 3,490 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,490 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ±2.349 ACRES
ACCESS ROAD DISTURBANCE = ±0.364 ACRES
PIPELINE DISTURBANCE = ±0.446 ACRES
TOTAL = ±3.159 ACRES

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QUESTAR EXPLR. & PROD.

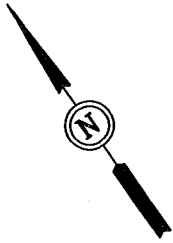
INTERIM RECLAMATION PLAN FOR

RW #21-32BW

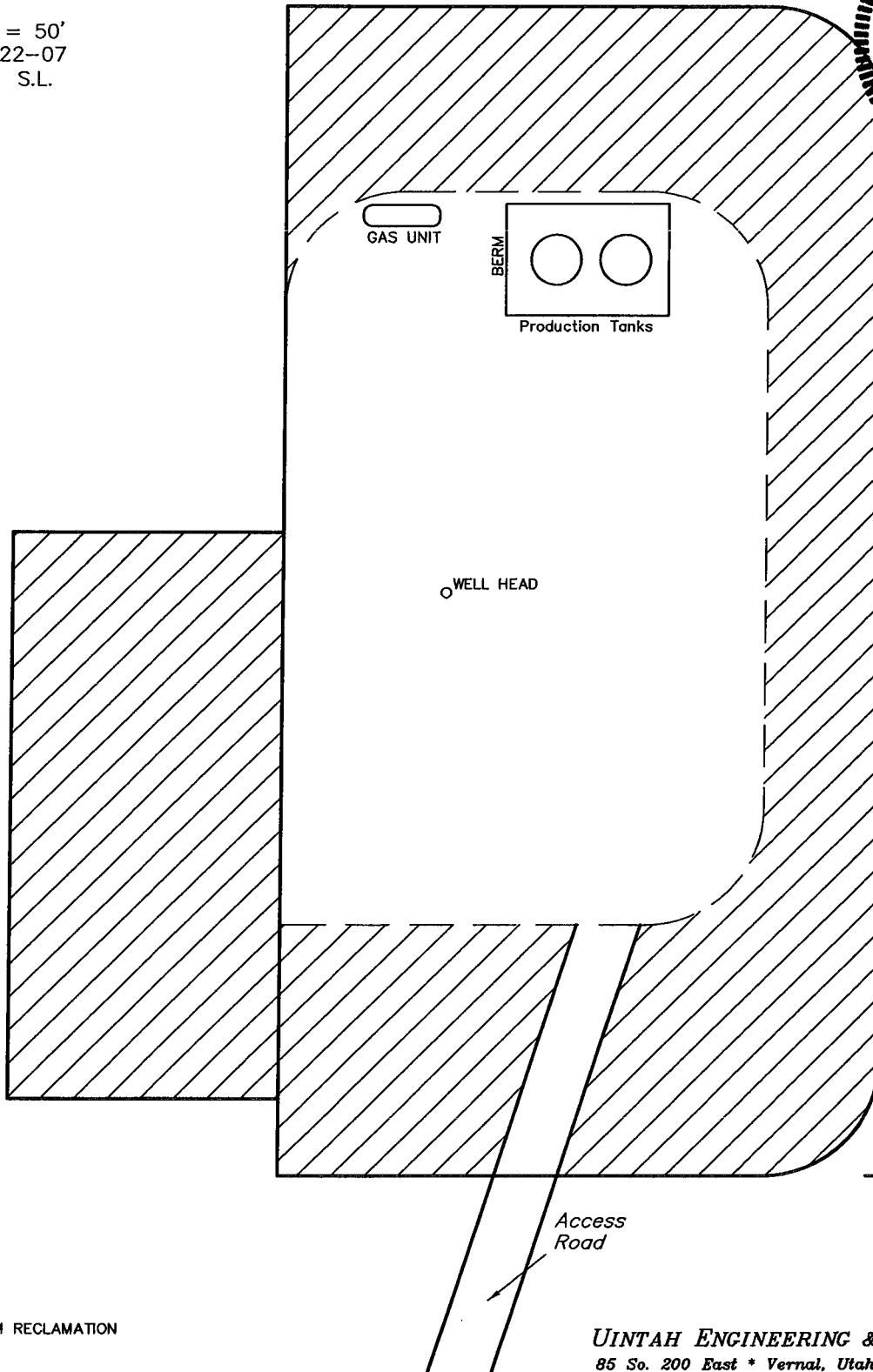
SECTION 32, T7S, R23E, S.L.B.&M.

859' FNL 1449' FWL

FIGURE #3

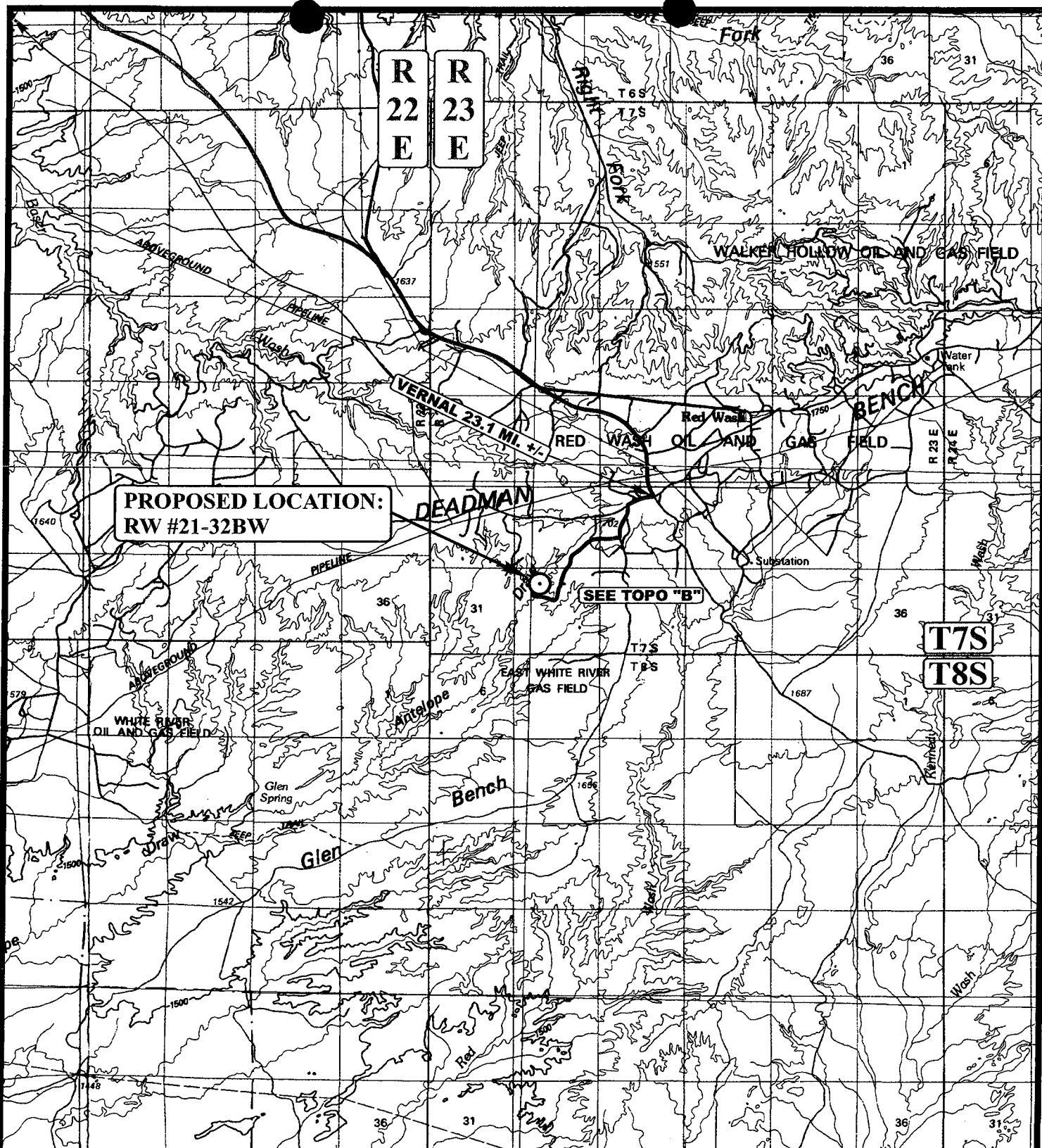


SCALE: 1" = 50'
DATE: 01-22-07
Drawn By: S.L.



 INTERIM RECLAMATION

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION

QUESTAR EXPLR. & PROD.

RW #21-32BW
SECTION 32, T7S, R23E, S.L.B.&M.
859' FNL 1449' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

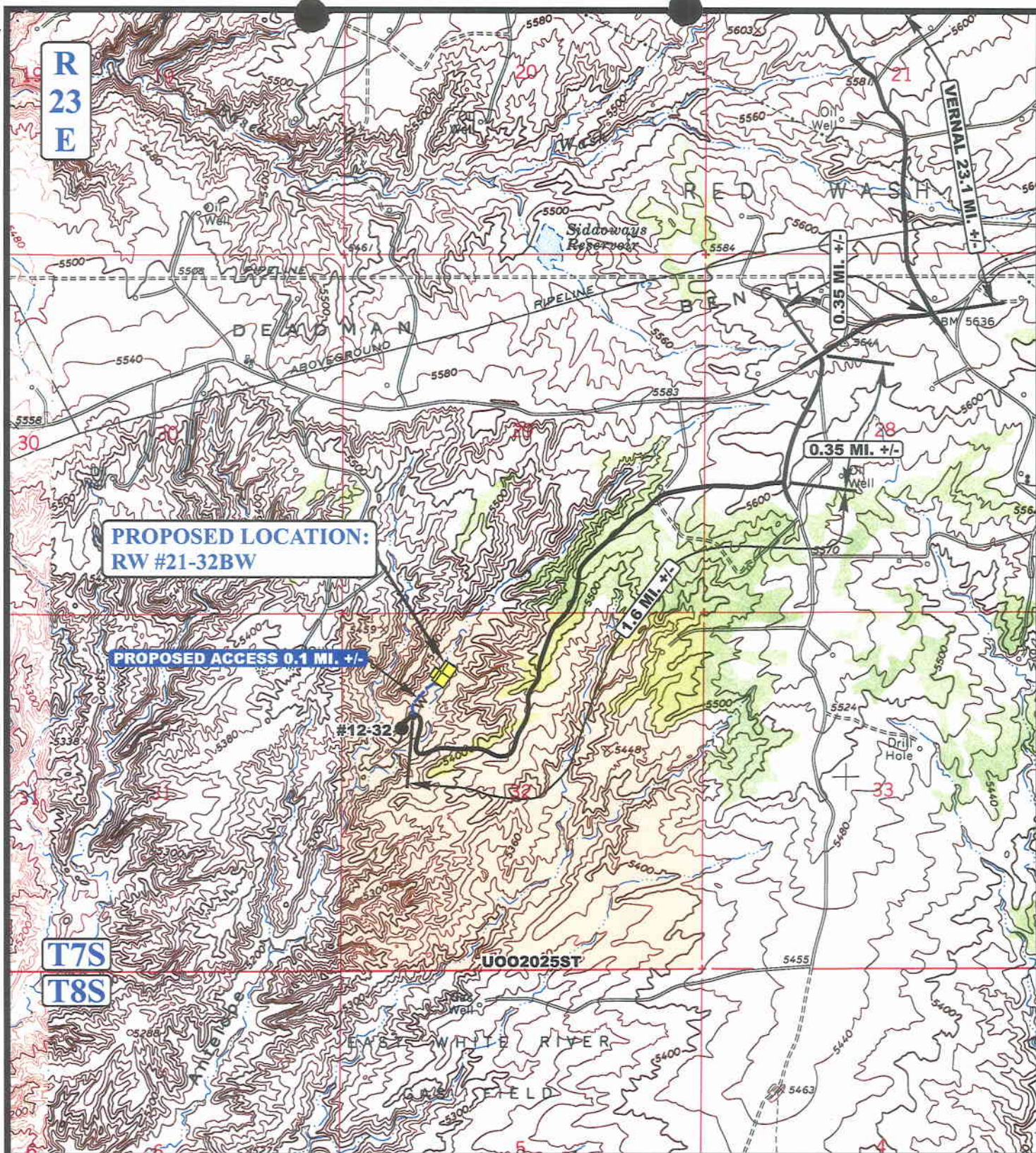


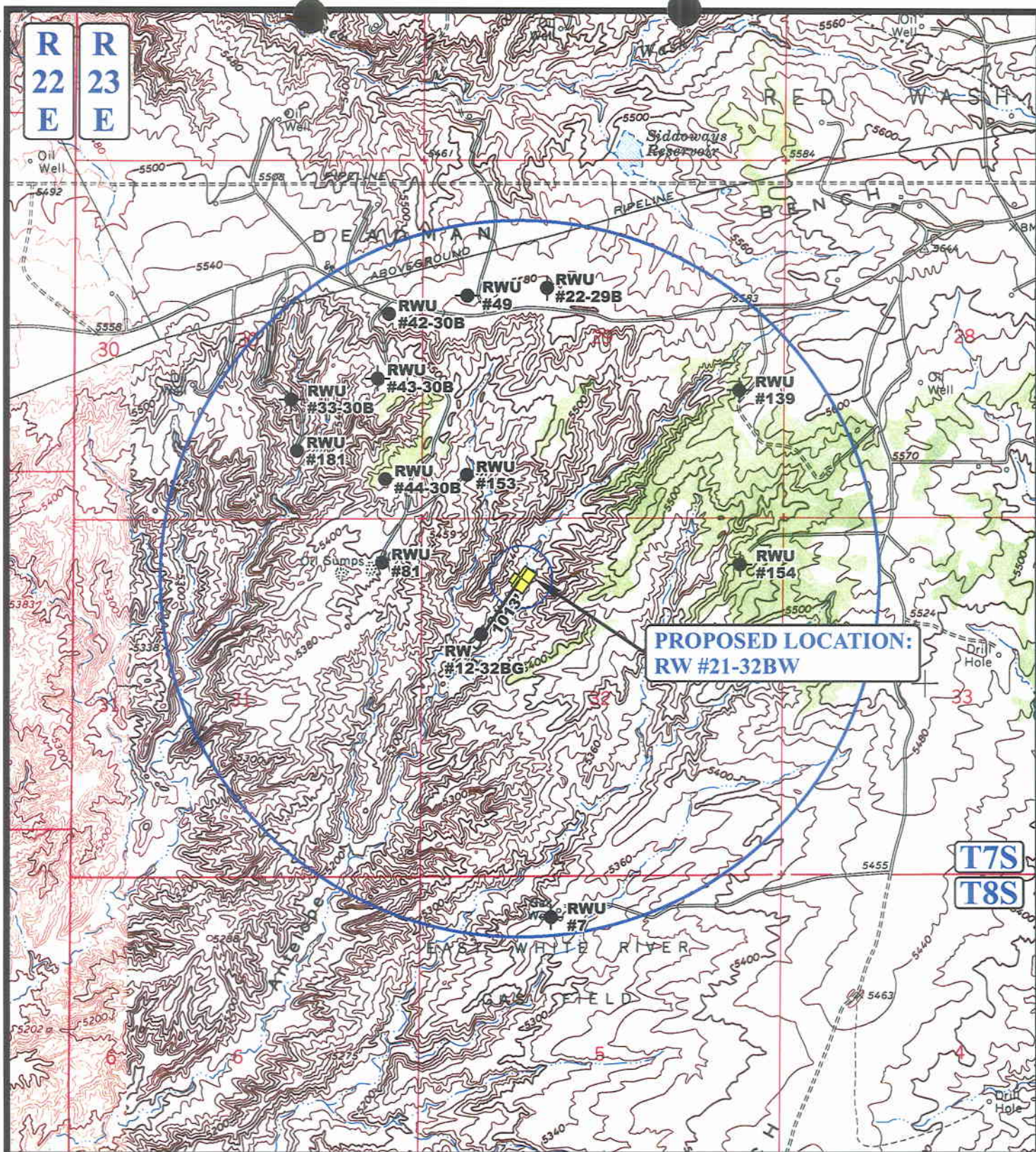
TOPOGRAPHIC
MAP

01 23 07
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00







LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

QUESTAR EXPLR. & PROD.

RW #21-32BW
SECTION 32, T7S, R23E, S.L.B.&M.
859' FNL 1449' FWL



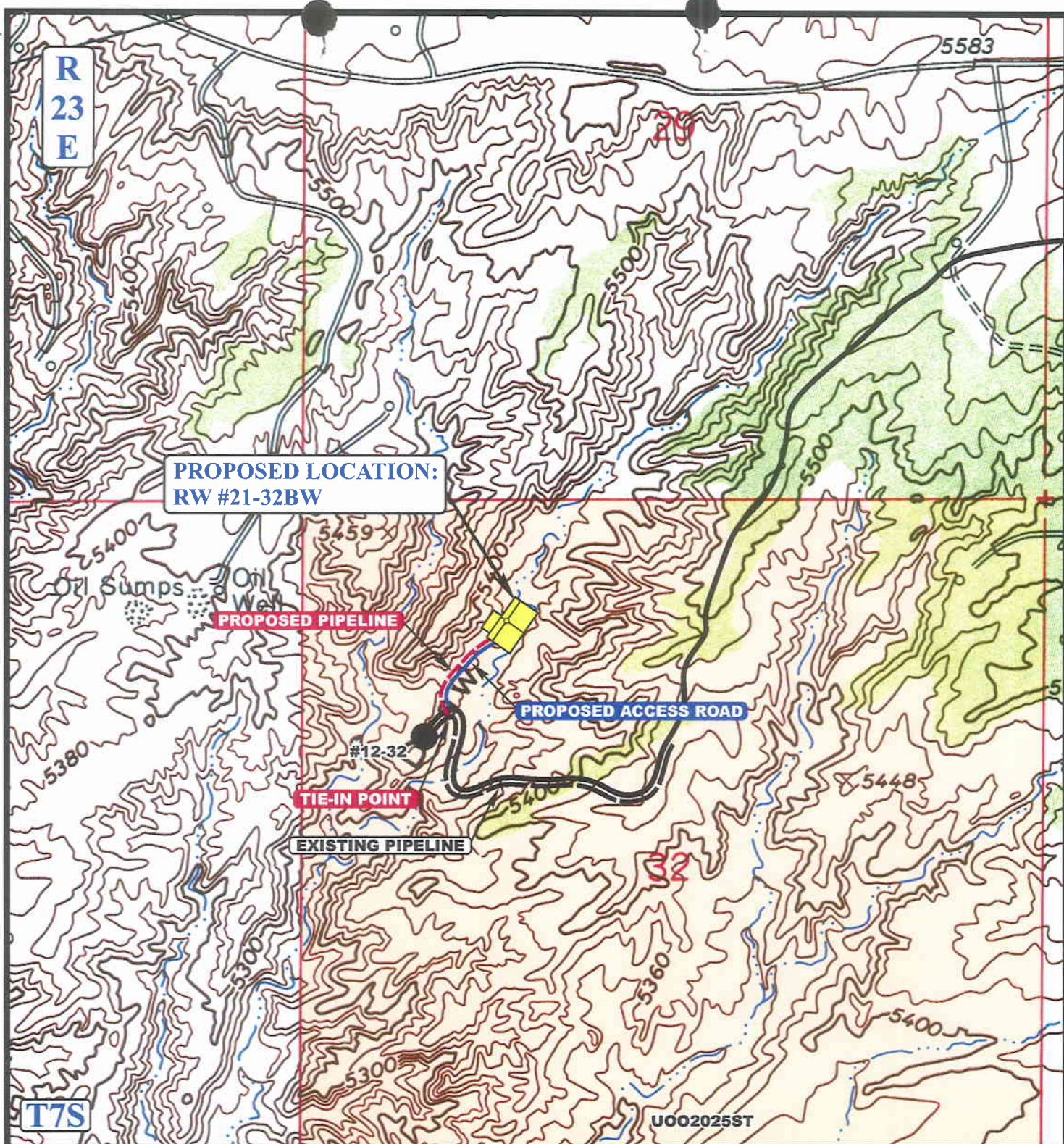
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

01 23 07
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 647' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- - - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

QUESTAR EXPLR. & PROD.

RW #21-32BW
SECTION 32, T7S, R23E, S.L.B.&M.
859' FNL 1449' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

D
TOPO



Questar Exploration and Production Company

11002 East 17500 South

Vernal, UT 84078

March 21, 2007

Division of Oil, Gas & Mining
1594 W. N. Temple STE 1210
Salt Lake City, UT 84114-5801

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 Questar Exploration & Production, Co. RW 21-32BW is an exception to this rule due to topography.

There are no additional lease owners within 460' of the proposed location. If you have any question please contact Jan Nelson @ (435) 781-4032.

Thank you,

A handwritten signature in black ink that reads "Jan Nelson". The signature is written in a cursive, flowing style.

Jan Nelson
Regulatory Affairs

RECEIVED

APR 03 2007

DIV. OF OIL, GAS & MINING

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/03/2007

API NO. ASSIGNED: 43-047-39183

WELL NAME: RW 21-32BW

OPERATOR: QUESTAR EXPLORATION & (N5085)

CONTACT: JAN NELSON

PHONE NUMBER: 435-781-4032

PROPOSED LOCATION:

NENW 32 070S 230E

SURFACE: 0859 FNL 1449 FWL

BOTTOM: 0859 FNL 1449 FWL

COUNTY: UINTAH

LATITUDE: 40.17097 LONGITUDE: -109.3545

UTM SURF EASTINGS: 640113 NORTHINGS: 4447821

FIELD NAME: RED WASH (665)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKJ	5/16/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: UTO-02025-ST

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSTC

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 965063033)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-2153)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

____ R649-2-3.
Unit: RED WASH
____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 187-07
Eff Date: 9-18-2001
Siting: Suspension of General Siting
____ R649-3-11. Directional Drill

COMMENTS: Needs Permit (04-24-07)

STIPULATIONS: 1- STATEMENT OF BASIS



OPERATOR: QUESTAR EXPL & PROD (N5085)

SEC: 32 T.7S R. 23E

FIELD: RED WASH (665)

COUNTY: UINTAH

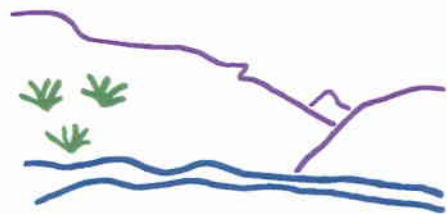
CAUSE: 187-7 / 9-18-2001

Field Status
 ABANDONED
 ACTIVE
 COMBINED
 INACTIVE
 PROPOSED
 STORAGE
 TERMINATED

Unit Status
 EXPLORATORY
 GAS STORAGE
 NF PP OIL
 NF SECONDARY
 PENDING
 PI OIL
 PP GAS
 PP GEOTHERML
 PP OIL
 SECONDARY
 TERMINATED

Wells Status

GAS INJECTION
 GAS STORAGE
 LOCATION ABANDONED
 NEW LOCATION
 PLUGGED & ABANDONED
 PRODUCING GAS
 PRODUCING OIL
 SHUT-IN GAS
 SHUT-IN OIL
 TEMP. ABANDONED
 TEST WELL
 WATER INJECTION
 WATER SUPPLY
 WATER DISPOSAL
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
 DATE: 04-APRIL-2007

Application for Permit to Drill

Statement of Basis

5/1/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM			
374	43-047-39183-00-00		GW	S	No			
Operator	QUESTAR EXPLORATION & PRODUCTIO		Surface Owner-APD					
Well Name	RW 21-32BW	Unit	RED WASH					
Field	RED WASH	Type of Work						
Location	NENW 32 7S 23E S 859 FNL 1449 FWL GPS Coord (UTM) 640113E 4447821N							

Geologic Statement of Basis

QEP proposes to set 450 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,800 feet. A search of Division of Water Rights records shows 10 water wells within a 10,000 foot radius of the proposed location. They are owned by oilfield operators with the purpose listed as oilfield use. These wells would be water supply wells for the Red Wash oil field which were converted from previously producing wells. The wells are all nearly 6,000 feet in depth. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and is not expected to produce prolific aquifers. The production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole. The proposed casing and cement program should adequately protect usable ground water in the area.

Brad Hill

5/1/2007

APD Evaluator

Date / Time

Surface Statement of Basis

The site is in Uintah County, Utah in the Red Wash Oilfield area approximately 23 miles southeast of Vernal, UT. The area is within Antelope Draw, which drains southwesterly approximately 10 miles into the White River. No streams or springs are known in the immediate area. Drainages are ephemeral containing flows only during spring runoff and intense summer storms. Broad open flats characterize the topography or gentle ravines intersected by sometimes-steep sided hills sloping into deep drainages.

Access to the site from Vernal, UT is following the Bonanza State Highway southeasterly, to the Glenn Bench road then following this road and existing oilfield development roads to within 0.01 miles of the site. New road will be constructed from this point.

The RW # 21-32B location is proposed running longitudinally along the south slope of a steep ridge, which runs in an east-west direction. On the steep side-hill a small bench occurs above the reserve pit area and the side-hill cut should catch there. Beginning at corner 8 the south side of the location parallels an active wash. Corner 8 will be rounded so as not to deposit fill in the bottom of the wash. Moving the location from the side-hill is limited by this wash. Several swales or draws begin within the location and will be cut or filled during construction. No diversion is needed for these. Diversions are planned around both the east and west ends of the pad.

Both the surface and minerals are owned by SITLA. Ed Bonner represented SITLA at the pre-site visit. He had no concerns not mentioned above.

Although this is not a good site for constructing a pad, it is the only possibility in the immediate are. No stability problems should occur.

Daniel Emmett representing the UDWR stated that the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave

Application for Permit to Drill

Statement of Basis

5/1/2007

Utah Division of Oil, Gas and Mining

Page 2

Ed Bonner of SITLA and Jan Nelson of QEP a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the locations.

Floyd Bartlett
Onsite Evaluator

4/24/2007
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator QUESTAR EXPLORATION & PRODUCTION CO
Well Name RW 21-32BW
API Number 43-047-39183-0 **APD No** 374 **Field/Unit** RED WASH
Location: 1/4,1/4 NENW **Sec** 32 **Tw** 7S **Rng** 23E 859 FNL 1449 FWL
GPS Coord (UTM) 640113 4447821 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Jan Nelson and Darrel Knop (Questar), Daniel Emmett (UDWR), Ed Bonner (SITLA).

Regional/Local Setting & Topography

Site is in Uintah County, Utah in the Red Wash Oilfield area approximately 23 miles southeast of Vernal, UT. The area is within Antelope Draw, which drains southwesterly approximately 10 miles into the White River. No streams or springs are known in the immediate area. Drainages are ephemeral containing flows only during spring runoff and intense summer storms. Broad open flats characterize the topography or gentle ravines intersected by sometimes-steep sided hills sloping into deep drainages.

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Surface Use Plan

Current Surface Use

Grazing

Wildlife Habitat

New Road

Miles	Well Pad		Src Const Material	Surface Formation
0.1	Width 258	Length 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Nearly barren desert type community. Scattered plants include mat saltbrush greasewood, daisys, lomatium, prickly pear curly mesquite, onions evenong primrose and spring annuals.

Antelope, deer, coyote and other small mammals and birds.

Soil Type and Characteristics

shallow rocky clay.

Erosion Issues N**Sedimentation Issues** N**Site Stability Issues** N**Drainage Diversion Required** Y

Around both the east and west ends of the location.

Berm Required? N**Erosion Sedimentation Control Required?** N**Paleo Survey Run?** Y **Paleo Potential Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N**Reserve Pit****Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	100 to 200
Distance to Surface Water (feet)	>1000
Dist. Nearest Municipal Well (ft)	>5280
Distance to Other Wells (feet)	300 to 1320
Native Soil Type	Low permeability
Fluid Type	Fresh Water
Drill Cuttings	Normal Rock
Annual Precipitation (inches)	<10
Affected Populations	<10
Presence Nearby Utility Conduits	Not Present

5

0

0

10

0

5

0

0

0

0

Final Score

20

Sensitivity Level**Characteristics / Requirements**

70' x 150' x 12' deep, located on the northwest corner of the location within an area of cut.. A 10' wide bench is planned around the outer edges. The pit will be lined and the reserve pit backfill will be stockpiled on the east side. Two feet of freeboard is provided.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y**Other Observations / Comments**

Floyd Bartlett
Evaluator

4/24/2007
Date / Time

2007-05 Questar RW 21-32BW

Casing Schematic

Surface

127
187

BHP $0.052(7725) 9.5 = 3816 \text{ psi}$
anticipate 3816 psi

G_{ms} $.12(7725) = 927$
 $3816 - 927 = 2889 \text{ psi}$
MASP

9-5/8"
MW 8.4
Frac 19.3

TOC @
0.

TOC @ *Uinta*
0.

Surface
750. MD

BOPE 3M ✓

Burst 3520
70% 2464 psi

Max P @ surf. shoe
 $.22(6975) = 1535$
 $3816 - 1535 = 2281 \text{ psi}$
Max allowed pressure @ Surf. Shoe = 750 ppi
test to 2281 psi ✓

✓ Adequate OWC 5/1600 Z

2800' Green River

3720' Mahogany

4800' ± BMSW

6225' Wasatch

5-1/2"
MW 9.5

Production
7725. MD

Well name:

2007-05 Questar RW 21-32BW

Operator: Questar Exploration & Production, CO.

String type: Surface

Project ID:

43-047-39183

Location: Uintah County

Design parameters:**Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 86 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 450 ft

Cement top: Surface

BurstMax anticipated surface
pressure: 660 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 750 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 657 ft

Non-directional string.**Re subsequent strings:**Next setting depth: 7,725 ft
Next mud weight: 9.500 ppg
Next setting BHP: 3,812 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 750 ft
Injection pressure: 750 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	750	9.625	36.00	J-55	ST&C	750	750	8.796	325.5

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	327	2020	6.172	750	3520	4.69	24	394	16.66 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: May 8, 2007
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 750 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

2007-05 Questar RW 21-32BWOperator: **Questar Exploration & Production, CO.**String type: **Production**

Project ID:

43-047-39183Location: **Uintah County****Design parameters:****Collapse**Mud weight: 9.500 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 183 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

BurstMax anticipated surface
pressure: 2,113 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,812 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)**Non-directional string.**

Tension is based on buoyed weight.

Neutral point: 6,665 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
2	7000	5.5	15.50	J-55	LT&C	7000	7000	4.825	935.5
1	725	5.5	17.00	J-55	LT&C	7725	7725	4.767	94.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
2	3455	4040	1.169	3653	4810	1.32	103	217	2.10 J
1	3812	4910	1.288	3812	5320	1.40	-5	247	-48.96 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: May 8, 2007
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 7725 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

April 4, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Red Wash Unit, Uintah County,
Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Red Wash Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Wasatch)		
43-047-39182	RW 23-32BW Sec 32 T07S R23E 2131 FSL 1751 FWL	
43-047-39183	RW 21-32BW Sec 32 T07S R23E 0859 FNL 1449 FWL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Red Wash Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:4-4-07

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 3

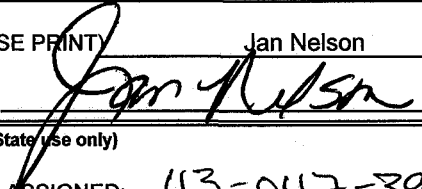
APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN				5. MINERAL LEASE NO: UTO-02025-ST	6. SURFACE: STATE
B. TYPE OF WELL <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS OTHER _____ <input checked="" type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE				7. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION, CO.				8. UNIT OR CA AGREEMENT NAME: RED WASH UNIT	
3. ADDRESS OF OPERATOR: 1571 E. 1700 S. CITY VERNAL STATE UT ZIP 84078				9. WELL NAME and NUMBER: RW 21-32BW	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 859' FNL 1449' FWL AT PROPOSED PRODUCING ZONE: SAME 444' 7134 Y -109.353413				10. FIELD AND POOL, OR WILDCAT: RED WASH - Undesignated	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23 + 1 - MILES FROM VERNAL, UT				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 7S 23E	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 859' +/-		16. NUMBER OF ACRES IN LEASE: 640		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1013' +/-		19. PROPOSED DEPTH 7725'		20. BOND DESCRIPTION: 965003033	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5357.8' GR		22. APPROXIMATE DATE WORK WILL START: ASAP		23. ESTIMATED DURATION: 10 DAYS	
24 PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8" J-55 36 lb/ft (new) STC			750'	SEE 8-POINT DRILLING
7 7/8"	5 1/2" J-55 15.5 lb (new) LTC			7000'	
7 7/8"	5 1/2" J-55 17 lb (new) LTC			7725'	

25 ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

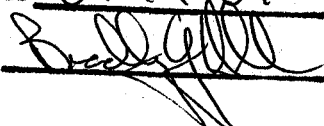
NAME (PLEASE PRINT) <u>Jan Nelson</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u></u>	DATE <u>3/21/07</u>
(This space for State use only)	
API NUMBER ASSIGNED: <u>43-047-39183</u>	APPROVAL: _____

(11/2001) **Approved by the
Utah Division of
Oil, Gas and Mining**

(See Instruction on Reverse Side)

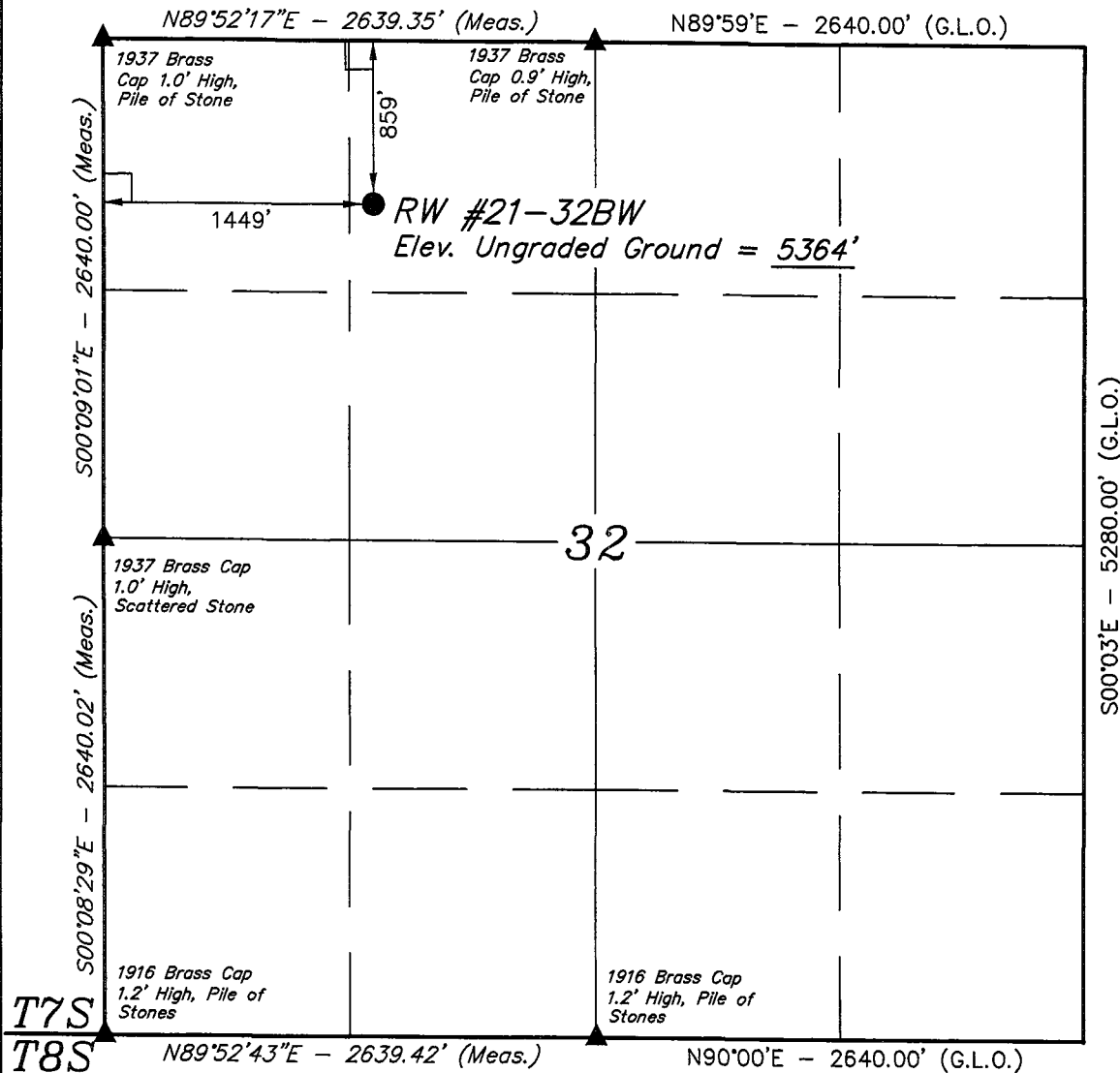
RECEIVED
MAY 03 2007

DIV. OF OIL, GAS & MINING

Date: 04-17-07
By: 

CONFIDENTIAL

T7S, R23E, S.L.B.&M.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°10'15.39" (40.170942)
 LONGITUDE = 109°21'18.85" (109.355236)
 (NAD 27)
 LATITUDE = 40°10'15.52" (40.170978)
 LONGITUDE = 109°21'16.39" (109.354553)

QUESTAR EXPLR. & PROD.

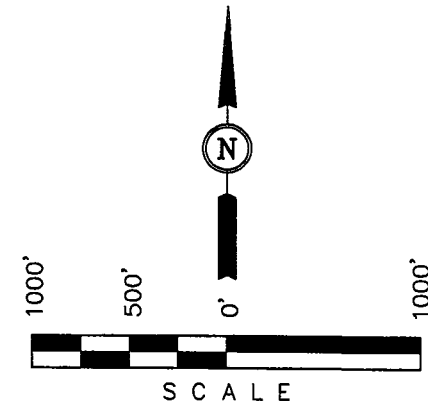
Well location, RW #21-32BW, located as shown in the NE 1/4 NW 1/4 of Section 32, T7S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

ROBERT L. KAY
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-19-07	DATE DRAWN: 01-22-07
PARTY D.R. Q.B. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLR. & PROD.	

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	2800'	
Mahogany	3720'	
Wasatch	6225'	Oil / Gas
TD	7725'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River /Wasatch	7,725'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right # 49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	750'	12 1/4"	9 5/8"	J-55	36 lb/ft (new) ST&C
Prod.	7000'	7 7/8"	5 1/2"	J-55	15.5 lb/ft (new) LT&C
TD	7725'	7 7/8"	5 1/2"	J-55	17 lb/ft (new) LT&C

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- F. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

DRILLING PROGRAM

- G. Compressor shall be tied directly to the blooie line through a manifold.
- H. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Green River / Wasatch interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

DRILLING PROGRAM

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	428sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Cement to surface with 428 cf (1541sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-544sx* Tail-702sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Tail to 5000' (±500' above production zone). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Lead to surface. Tail plug used. Allowed to set under pressure.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3816.0 psi. Maximum anticipated bottom hole temperature is 140° F.

From: Ed Bonner
To: Mason, Diana
Date: 9/14/2007 5:12 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

EOG Resources, Inc

Chapita Wells Unit 732-32 (API 43 047 39599)

Chapita Wells Unit 731-32 (API 43 047 39582)

Questar Exploration & Production Company

RW 23-32BW (API 43 047 39182)

RW 21-32BW (API 43 047 39183)

Petro-Canada Resources (USA), Inc

State 32-11 (API 43 015 30734)

Williams Production RMT Company

State Reservation Ridge 42-2 (API 43 013 33758)

If you have any questions regarding this matter please give me a call.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 17, 2007

Questar Exploration & Production, CO
1571 E 1700 S
Vernal, UT 84078

Re: RW 21-32BW Well, 859' FNL, 1449' FWL, NE NW, Sec. 32, T. 7 South, R. 23 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39183.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal Office



Operator: Questar Exploration & Production, CO

Well Name & Number RW 21-32BW

API Number: 43-047-39183

Lease: UTO-02025-ST

Location: NE NW **Sec.** 32 **T.** 7 South **R.** 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Page 2

43-047-39183

September 17, 2007

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

QUESTAR EXPLORATION & PRODUCTION CO.

3. ADDRESS OF OPERATOR:

11002 E. 17500 S.

CITY

VERNAL

STATE

UT

ZIP

84078

PHONE NUMBER:

(435) 781-4301

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTO-02025-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

N/A

7. UNIT or CA AGREEMENT NAME:

RED WASH UNIT

8. WELL NAME and NUMBER:

RW 21-32BW

9. API NUMBER:

4304739183

10. FIELD AND POOL, OR WILDCAT:

UNDESIGNATED

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 859' FNL 1449' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 7S 23E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:



SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:



ACIDIZE



ALTER CASING



CASING REPAIR



CHANGE TO PREVIOUS PLANS



CHANGE TUBING



CHANGE WELL NAME



CHANGE WELL STATUS



COMMINGLE PRODUCING FORMATIONS



CONVERT WELL TYPE



DEEPEN



FRACTURE TREAT



NEW CONSTRUCTION



OPERATOR CHANGE



PLUG AND ABANDON



PLUG BACK



PRODUCTION (START/RESUME)



RECLAMATION OF WELL SITE



RECOMPLETE - DIFFERENT FORMATION



REPERFORATE CURRENT FORMATION



SIDETRACK TO REPAIR WELL



TEMPORARILY ABANDON



TUBING REPAIR



VENT OR FLARE



WATER DISPOSAL



WATER SHUT-OFF



OTHER: APD EXTENSION

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Questar Exploration & Production Co. hereby requests a 1 year extension on the RW 21-32BW.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-16-08
By: [Signature]

NAME (PLEASE PRINT) Laura Bills

TITLE Associate Regulatory Affairs Analyst

SIGNATURE

[Signature]

DATE

9/11/2008

(This space for State use only)

COPY SENT TO OPERATOR

Date: 9.17.2008

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

SEP 15 2008

CONFIDENTIAL

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39183
Well Name: RW 21-32BW
Location: 859' FNL 1499' FWL, NENW, SEC. 32, T7S, R23E
Company Permit Issued to: QUESTAR EXPLORATION & PRODUCTION C
Date Original Permit Issued: 9/17/2008 7

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Laura Bills
Signature

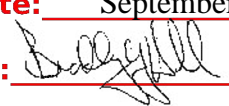
9/11/2008
Date

Title: Associate Regulatory Affairs Analyst

Representing: Questar Exploration & Production Co.

**RECEIVED
SEP 15 2008**

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTO-02025-ST
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO		7. UNIT or CA AGREEMENT NAME: RED WASH
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, UT, 84078		8. WELL NAME and NUMBER: RW 21-32BW
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0859 FNL 1449 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 32 Township: 07.0S Range: 23.0E Meridian: S		9. API NUMBER: 43047391830000
PHONE NUMBER: 435 781-4362 Ext		9. FIELD and POOL or WILDCAT: RED WASH
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/17/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Questar Exploration and Production Company hereby requests a one year extension for the APD on the above captioned well.		
Approved by the Utah Division of Oil, Gas and Mining Date: <u>September 09, 2009</u> By: 		
NAME (PLEASE PRINT) Jan Nelson		PHONE NUMBER 435 781-4331
SIGNATURE N/A		TITLE Permit Agent
DATE 9/8/2009		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047391830000

API: 43047391830000

Well Name: RW 21-32BW

Location: 0859 FNL 1449 FWL QTR NENW SEC 32 TWNP 070S RNG 230E MER S

Company Permit Issued to: QUESTAR EXPLORATION & PRODUCTION CO

Date Original Permit Issued: 9/17/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Jan Nelson

Date: 9/8/2009

Title: Permit Agent **Representing:** QUESTAR EXPLORATION & PRODUCTION CO

Date: September 09, 2009

By:

RECEIVED September 08, 2009

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING

CDW

Change of Operator (Well Sold)

X - Operator Name Change

The operator of the well(s) listed below has changed, effective:

6/14/2010**FROM: (Old Operator):**

N5085-Questar Exploration and Production Company
1050 17th St, Suite 500
Denver, CO 80265

Phone: 1 (303) 308-3048

TO: (New Operator):

N3700-QEP Energy Company
1050 17th St, Suite 500
Denver, CO 80265

Phone: 1 (303) 308-3048

CA No.

Unit:

RED WASH

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/28/2010
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/28/2010
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/24/2010
- a. Is the new operator registered in the State of Utah: Business Number: 764611-0143
- a. (R649-9-2) Waste Management Plan has been received on: Requested
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 8/16/2010 BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 8/16/2010
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 6/29/2010

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 6/30/2010
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 6/30/2010
- Bond information entered in RBDMS on: 6/30/2010
- Fee/State wells attached to bond in RBDMS on: 6/30/2010
- Injection Projects to new operator in RBDMS on: 6/30/2010
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: ESB000024
- Indian well(s) covered by Bond Number: 965010693
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 965010695
- b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See attached
2. NAME OF OPERATOR: Questar Exploration and Production Company <i>N5085</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached
3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500 QTR: Denver STATE CO ZIP 80265		7. UNIT or CA AGREEMENT NAME: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached		8. WELL NAME and NUMBER: See attached
PHONE NUMBER: (303) 672-6900		9. API NUMBER: Attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: See attached

COUNTY: Attached

STATE: UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>6/14/2010</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Operator Name Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers:

Federal Bond Number: 965002976 (BLM Reference No. ESB000024) *N3700*

Utah State Bond Number: ~~965003033~~

Fee Land Bond Number: ~~965003033~~ *965010695*

BIA Bond Number: ~~799446~~ *965010693*

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) Morgan Anderson

TITLE Regulatory Affairs Analyst

SIGNATURE *Morgan Anderson*

DATE 6/23/2010

(This space for State use only)

RECEIVED

JUN 28 2010

DIV. OF OIL, GAS & MINING

(See Instructions on Reverse Side)

APPROVED *6/30/2009*
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700)
RED WASH
effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral lease	type	stat	C
RW 12-16B	16	070S	230E	4304715177	5670	State	OW	P	
RW 41-16B	16	070S	230E	4304715292	5670	State	OW	P	
RW 14-16B	16	070S	230E	4304732785	5670	State	OW	P	
RW 34-16B	16	070S	230E	4304732786	5670	State	OW	P	
RW 23-16B	16	070S	230E	4304733084	5670	State	D	PA	
RWU 21W-36A	36	070S	220E	4304733730		State	GW	LA	
RWU 21G-36A	36	070S	220E	4304733731		State	OW	LA	
RWU 41-36A	36	070S	220E	4304733732		State	OW	LA	
RWU 43-16B	16	070S	230E	4304733733		State	OW	LA	
RWU 21-16B	16	070S	230E	4304733734		State	OW	LA	
RWU 11-36A	36	070S	220E	4304733736		State	OW	LA	
RWU 13-36A	36	070S	220E	4304733737		State	OW	LA	
RW 32G-16C	16	070S	240E	4304735238	5670	State	GW	P	
RW 14-36AMU	36	070S	220E	4304736721		State	GW	LA	
RW 01-36BG	36	070S	230E	4304736887	5670	State	OW	P	
RW 24-16BG	16	070S	230E	4304737746	5670	State	OW	P	
RW 12-32BG	32	070S	230E	4304737946	15841	State	GW	P	
RW 23-32BD	32	070S	230E	4304739182		State	GW	APD	C
RW 21-32BW	32	070S	230E	4304739183		State	GW	APD	C

Bonds: BLM = ESB000024
BIA = 956010693
State = 965010695



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3100
(UT-922)

JUL 28 2010

Memorandum

To: Vernal Field Office, Price Field Office, Moab Field Office
From: Chief, Branch of Minerals *Roger L. Bankert*
Subject: Name Change Recognized

Attached is a copy of the Certificate of Name Change issued by the Texas Secretary of State and a decision letter recognizing the name change from the Eastern States Office. We have updated our records to reflect the name change in the attached list of leases.

The name change from **Questar Exploration and Production Company** into **QEP Energy Company** is effective June 8, 2010.

cc: MMS
UDOGM

RECEIVED

AUG 16 2010

DIV. OF OIL, GAS & MINERALS



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 21, 2010

Questar Exploration & Production Co.
11002 East 17500 South
Vernal, UT 84078

Re: APD Rescinded – RW 21-32BW, Sec. 32, T.7S, R.23E,
Uintah County, Utah API No. 43-047-39183

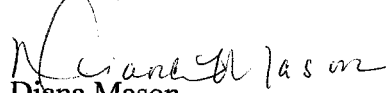
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 17, 2007. On September 16, 2008 and September 9, 2009 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 21, 2010.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

